

September 30, 2008

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OTHER REPRESENTATIVE

County of San Diego

Honorable Phil Isenberg Chairman, Delta Vision Blue Ribbon Task Force 650 Capitol Mall, 5th Floor Sacramento CA 95814

Re: Comments on Fourth Staff Draft of the Delta Vision Strategic Plan

Dear Chairman Isenberg:

The San Diego County Water Authority (Water Authority) appreciates the opportunity to comment on the Fourth Staff Draft of the Delta Vision Strategic Plan (Strategic Plan) and commend your staff for making an effort to develop a .Plan that may be adopted by the end of this year.

Although the Fourth Staff Draft is an improvement over the Third Staff Draft, there are still areas in which the Final Strategic Plan must be improved in order for it to be effective and meaningful to all of its stakeholders. In addition to the comments presented in this letter, the Water Authority is a member of the California Urban Water Agencies (CUWA) and endorses the comments of that organization. This letter will provide comments based on the broad themes of the format of the report, near-term actions, governance, financing, regional self-sufficiency, and water use efficiency.

Format

The two volume format is confusing and makes it difficult to reference back and forth between the goals and the strategies for meeting those goals. Much of the first volume restates the facts and discussion that are, or should have been, included in the 2007 Delta Vision Report. The first volume has an argumentative tone that is inappropriate for a public policy document. The Strategic Plan should eliminate any redundant material that merely restates the Delta Vision Report, and place the emphasis of the first volume on the actions necessary to achieve the two co-equal goals of water supply reliability and ecosystem restoration.

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These changes include, among other things:

- 1. Reducing the conflict between fisheries and export water supply through a new or revised system of conveyance of water through or around the Delta that allows a reliable supply of water over time, sufficient flows for fishery habitats, and good water quality,
- 2. Restoration of Delta habitat types that support native species; and
- 3. Protection of the levees from seismic and flood risks.

It is difficult to conclude in Volume 1, how the seven goals for which strategies are provided relate to the 12 recommendations in the Delta Vision Report. The Strategic Plan should clearly address all 12 recommendations of the Delta Vision Report.

Near-term Actions

The importance of moving forward with near-term actions to the economy of the state cannot be over-emphasized. The Fourth Draft includes a separate section on near-term actions, but it does not contain the most critical actions needed to improve water supplies. CUWA has identified four high priority actions that could allow the recovery of significant amounts of water that are now being lost due to restrictions on exports. These actions include:

- Franks Tract-Middle River Corridor/Two Barrier Pilot Project
- Franks Tract/Three Mile Slough pilot study
- Demonstration Fish Protection Screen at Clifton Court Forebay
- Levee and Conveyance Improvements

It would be prudent for the Strategic Plan to emphasize the immediate actions necessary to protect the state's water supply reliability while focusing on immediate restoration activities. This should be a priority of the Blue Ribbon Task Force and provide guidance on funding mechanism and steps necessary to implement these action.

Governance

The governance structure described in the Strategic Plan should incorporate existing authorities, responsibilities, programs, and planning. It must streamline permitting and financing of projects necessary to carry out the Strategic Plan, and not create additional bureaucracy. It should not be dependent on the Legislature to create a structure, but should be able to proceed through existing administrative procedures.

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Furthermore, Strategy 7.2 should emphasize more clearly the importance of the Bay-Delta Conservation Plan (BDCP) to implement the goals of the Delta Vision. The BDCP will be the primary vehicle in the future for advancing the co-equal values of water supply reliability and environmental restoration. Any governance structure that does not support the advancement of the BDCP will be a hindrance to progress in the Delta, rather than a help.

The Water Authority supports the establishment of a California Delta Conservancy and a Delta Science and Engineering Board.

Financing

The financing principles set forth in Strategy 7.3 are generally sound. However, Principle 4., is problematic. While it is true that the funds collected should be protected from diversion, cutting off the conveyance of water through the State Water Project would be devastating to regions in California that rely on that source of water. This principle should be changed to provide another means of assurance that funds will not be diverted.

Furthermore, any fees levied on water diversions or water conveyed through or around the Delta, as proposed in Principle 1, must be based on specific and clearly defined capital investments or on-going programs. The fees should not be collected and kept as a "slush fund," without a specifically identified purpose.

Regional Self-Sufficiency

The Water Authority applauds the discussion of regional self-sufficiency in Strategy 4.2. The Water Authority is engaged in a \$3.5 billion capital improvement project to diversify and strengthen its portfolio of water supplies. Achieving regional self-sufficiency will require the removal of institutional and legal barriers to some supplies of water, such as desalination and recycling.

Water Use Efficiency

The Water Authority agrees that water use efficiency is a critical tool for increasing water supply reliability and has been a leader in the State; supporting the CUWCC's BMPs and implementing cost-effective water use efficiency programs. In addition, the Water Authority is actively working with DWR to develop a workable plan for achieving the Governor's goal of saving 20 percent by 2020. The Water Authority does not support, however, the call in Strategy 4.1(b) to enact legislation to require urban and agricultural water purveyors to adopt more aggressive tiered pricing. While tiered pricing has proven to be an effective means of encouraging water conservation, the method of pricing water must be left to the discretion of the governing board of each water agency. Each water agency has a unique blend of capital financing and

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operational needs that have to be taken into account in determining what portion of its pricing structure should be fixed and what portion should be variable or tiered pricing.

Again, thank you for the opportunity to comment on the Fourth Staff Draft of the Delta Vision Strategic Plan. The Water Authority stands ready to assist you in formulating the final Strategic Plan. If you have any questions regarding these comments, please contact Jeffrey Volberg at (916) 503-1466, or Meena Westford at (858) 522-6716.

Sincerely,

Maureen Stapleton General Manager